

**APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER
OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE
STATE OF NEVADA HERETOFORE APPROPRIATED**

NOV 06 1995

Date of filing in State Engineer's Office.....

Returned to applicant for correction.....

Corrected application filed.....

Map filed NOV 06 1995

The applicant FMG, Inc.

of

Golconda

Street and No. or P.O. Box No.

City or Town

Nevada 89414

State and Zip Code No.

hereby make Application for permission to change the

Point of diversion, manner and place of use of a portion

Point of diversion, manner of use, and/or place of use

of water heretofore appropriated under Permit 51990

Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and

identify right in Decree.

- The source of water is underground
Name of stream, lake, underground spring or other source.
- The amount of water to be changed 1.378 CFS; 51.814 MGA
Second feet, acre feet. One second foot equals 448.83 gallons per minute.
- The water to be used for mining, milling and dewatering
Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.
- The water heretofore permitted for mining, milling, and domestic
Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.
- The water is to be diverted at the following point within SE $\frac{1}{4}$ NE $\frac{1}{4}$ section 33, T39N, R42E, MDM at a point from which the Describe as being within a 40-acre subdivision of public survey and by course and SW corner of said section 33 bears S 50°44'29" W, 5805.23 feet distant, from a shaft dewatering well known as DW-2.
distance to a section corner. If on unsurveyed land, it should be stated.
- The existing permitted point of diversion is located within NW $\frac{1}{4}$ NE $\frac{1}{4}$ section 8, T38N, R43E, MDM or at a point from which the north quarter corner of said section 8 bears N 07°41'40" W, a distance of 803.83 feet (See map on file under Permit 28757)
If point of diversion is not changed, do not answer.
- Proposed place of use within sections 21, 22, 23, 26, 27, 28, 29, 32, 33, and 34 in T39N, R42E, MDM; and sections 3, 4, 9, and 10 in T38N, R42E, MDM.
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.
- Existing place of use portions of the E $\frac{1}{2}$ SW $\frac{1}{4}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ of section 27, Describe by legal subdivisions. If permit is for irrigation, state number of acres irrigated. If changing place of use and/or T39N, R42E, MDM. A portion of E $\frac{1}{2}$ SE $\frac{1}{4}$ Section 22, T39N, R42E, MDM. A portion of SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 23, T39N, R42E, MDM. A portion of NW $\frac{1}{4}$ NW $\frac{1}{4}$ SECTION 26, T39N, R42E, MDM.
manner of use of irrigation permit, describe acreage to be removed from irrigation.
- Use will be from January 1 to December 31 of each year.
Month and Day Month and Day
- Use was permitted from January 1 to December 31 of each year.
Month and Day Month and Day
- Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) 2500 foot deep well, pump and pipelines
State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes, or drilled well, etc.
- Estimated cost of works \$250,000
- Estimated time required to construct works 2 years

5 years

14. Estimated time required to complete the application of water to beneficial use.....

15. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use:

This water is to be moved to a shaft dewatering well known as DW-2.

The pumpage will serve to dewater the Turquoise Ridge shaft and

underground workings. The water will be used for miscellaneous

mining purposes including milling, dust control, drilling, and mining.

s/Michael S. Smith

By MICHAEL S. SMITH, AGENT

SAGE ENGINEERING

3210 Markridge Dr., Reno, NV 89509

nsr/jk cl/vjw

Compared.....

Protested.....

APPROVAL

OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This temporary permit to change the point of diversion, place of use and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 51990 is issued subject to the terms and conditions imposed in said Permit 51990 and with the understanding that no other rights on the source will be affected by the change proposed herein. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. This source is located within an area designated by the State Engineer pursuant to NRS 534.030.

This temporary permit will allow the permittee to dewater the pit area and underground mine. It is understood that any water pumped as a result of this dewatering operation will be used first by the permittee for surface and underground mining, milling, leaching, drilling, road watering and other related mining uses herein after referred to as mining and milling uses within the described place of use on this permit.

The State Engineer retains the right to regulate pumping from the dewatering project and/or any other groundwater withdrawals herein authorized to protect the public interest and existing rights. Any water produced from this dewatering (CONTINUED ON PAGE 2)

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.378 cubic feet per second but not to exceed 51.814 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before.....

Proof of completion of work shall be filed before.....

Application of water to beneficial use shall be made on or before.....

Proof of the application of water to beneficial use shall be filed on or before.....

Map in support of proof of beneficial use shall be filed on or before.....

Completion of work filed.....

Proof of beneficial use filed.....

Cultural map filed.....

Certificate No. Issued.....

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,
State Engineer of Nevada, have hereunto set my hand and the seal of my

office, this 28th day of December,

A.D. 1995

R. Michael Turnipseed, P.E.
State Engineer

(PERMIT TERMS CONTINUED)

operation and not used for mining and milling purposes may be injected or infiltrated back to the Kelley Creek Groundwater Basin on a temporary basis for testing purposes only. Any infiltration or injection of water must have the necessary permits issued by the Nevada Division of Environmental Protection. The design of the infiltration system or other disposal method and the delivery system to the site will be submitted to the State Engineer. It is understood that this right must allow for a reasonable lowering of the static water level.

This temporary permit does not extend the permittee the right of ingress and egress on public, private or corporate land.

The issuance of this temporary permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies and is specifically issued contingent upon approval by the Nevada Division of Environmental Protection relating to the dewatering project.

The total combined duty of water under Permits 10369, Certificate 2757; 10370, Certificate 2758; 28758, Certificate 13803; 28759; 45730, Certificate 13805, 45731, Certificate 13806; 45732, Certificate 13807; 49815, Certificate 13809; 51990; 52476, Certificate 13817; 53015; 53030; 61201-T; 61202-T; 61557-T; 61558-T; 61559-T; 61667-T and 61687-T shall not exceed 799.75 million gallons annually.

Monthly records will be kept of the following: the volume of water pumped from each well, the volume of water consumptively used for mining and milling uses projectwide, and the amount of water discharged to infiltration or surface disposal. These records will be submitted within 15 days after the end of each calendar quarter. A method that estimates the amount of evaporative losses from the discharge system will be submitted with the monthly report. The evaporative losses will be considered as a part of the combined duty for consumptive purposes.

All of the above stated conditions are subject to having no adverse impacts on existing rights.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on December 27, 1996 at which time all rights herein granted shall revert to the right being changed by this temporary permit.